SENATE BILL REPORT SB 6228

As Reported by Senate Committee On: Agriculture & Rural Economic Development, February 4, 2010

Title: An act relating to organic products.

Brief Description: Regarding organic products.

Sponsors: Senators Haugen, Jacobsen and Shin; by request of Department of Agriculture.

Brief History:

Committee Activity: Agriculture & Rural Economic Development: 1/14/10, 2/04/10 [DP].

SENATE COMMITTEE ON AGRICULTURE & RURAL ECONOMIC DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Hatfield, Chair; Ranker, Vice Chair; Schoesler, Ranking Minority Member; Becker, Haugen, Morton and Shin.

Staff: Sam Thompson (786-7413)

Background: The Washington State Department of Agriculture (WSDA) administers a voluntary organic certification and technical assistance program for producers, processors, and handlers. The program certifies to United States Department of Agriculture (USDA) National Organic Program (NOP) and international standards. Program staff conduct inspections to ensure compliance with standards and investigate complaints against certified operations.

WSDA also administers a voluntary organic Materials Registration Program. Manufacturers and distributors may register organic production materials in accordance with state, NOP, and international standards. The Materials Registration Program maintains a Brand Name Materials List of products reviewed and approved for use in organic production, processing, and handling.

Under NOP standards, producers undergo a three-year transition from conventional to organic crop production. WSDA's Transitional Certification Program may certify producers converting to organic production as transitional during that period.

Senate Bill Report - 1 - SB 6228

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill: Provisions concerning WSDA organics programs are changed to conform to NOP standards. WSDA is granted explicit authority to administer the Transitional Certification Program and Materials Registration Program. To conform to NOP requirements, the Materials Registration Program is granted authority to conduct inspections and to accept inspections from other NOP-approved entities.

<u>Transitional Certification Program.</u> A product must be produced under NOP standards to be labeled, sold, or represented as a transitional product. NOP-prohibited substances cannot be applied in the year preceding harvest.

WSDA may set and collect certification fees. Fees must be deposited in an account within the Agricultural Local Fund. Fee revenue must be used solely for certification. No appropriation is required for disbursement. WSDA may increase initial fees to cover costs.

The application fee for transitional certification is \$50 per site, in addition to any other applicable fees.

WSDA may conduct compliance checks in retail establishments regarding labeling and advertising requirements.

Materials Registration Program. WSDA is granted explicit authority to establish a Brand Name Materials List (List) — i.e. materials approved for use in organic production, processing, or handling in accordance with NOP or international standards. Registration is voluntary and not required for a material to be used or sold in Washington. WSDA may adopt implementing rules.

Manufacturers may submit an application to WSDA for inclusion in the List. The application must include information about ingredients, the manufacturing process, and intended uses, in addition to other information. Registrants must update information after submittal; failure to do so may result in suspension or revocation of the registration.

WSDA or another NOP-approved certifying or inspection agent may enter the registrant's premises to conduct inspections.

WSDA may deny, suspend, or revoke a registration if a registrant fails to meet registration criteria or violates another standard. Failure to consent to inspections or sampling constitutes grounds for removal from the List.

WSDA may set and collect registration, registration renewal, inspection, and sampling fees. Fees must be deposited in an account within the Agricultural Local Fund. Fee revenue must be used solely for administrative costs. No appropriation is required for disbursement. WSDA may increase initial fees by rule to cover costs. The fee for:

- initial registration of a pesticide, spray adjuvant, processing aid, livestock production aid, or post-harvest material is \$500 per material. Registration renewal is \$300.
- initial registration of a fertilizer, soil amendment, organic waste-derived material, compost, animal manure, or crop production aid is \$400 per material. Registration renewal is \$200.

Registration renewals are due by October 31. Renewals postmarked after that date must include a late fee, as follows: after October 31, \$100 per material; after November 30, \$200 per material; and after December 31, \$300 per material. Renewals received after February 2 are not accepted, and applicants must reapply as new applicants.

Inspections are billed at \$40 per hour plus travel costs. Sample analysis is charged at a rate established by a WSDA laboratory or at cost performed by another laboratory. Additional visits are billed at \$40 per hour plus travel costs. Requests for expedited reviews are billed at \$40 per hour. Requests for additional assessments of NOP-approved materials are billed at \$100 per product.

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill restores necessary WSDA authority for approval of material used in organic farming and certification of transitional products that were inadvertently deleted by 2002 legislation. Many organic farmers in Washington rely on WSDA certification, and recognize the importance of this legislation. The WSDA Organic Advisory Board supports this legislation.

Persons Testifying: PRO: Jeff Canaan, Jerry Buendel, WSDA; Michele Catalano, WSDA Organic Advisory Board; Jay Gordon, Western Washington Agricultural Association.

Senate Bill Report - 3 - SB 6228